

**2011**

**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**ELECTRICITY FEED-IN (RENEWABLE ENERGY  
PREMIUM) AMENDMENT BILL 2011**

**EXPLANATORY STATEMENT**

**Circulated by  
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## OVERVIEW

The purpose of the *Electricity Feed-in (Renewable Energy Premium) Amendment Bill 2011* is to allow micro generators access the compliance cap that currently applies to the medium scale generators at the same premium tariff rate as medium generators.

## SUMMARY OF CLAUSES

### Clause 1 The Name of the Act

This clause is a formal provision setting out the name of the proposed Act.

### Clause 2 Commencement

The commencement date of 1<sup>st</sup> September 2011 will ensure that the cap is not open to micro renewable energy generators at the new premium rate until 3 months after the previous micro scheme cap was closed by the Government on 31<sup>st</sup> May 2011.

This commencement date will allow for installations that have been approved as compliant under the previous micro-scheme to be connected before the new tariff rate is put in place. However, any installations that are not connected prior to 1<sup>st</sup> September 2011 will receive the lower tariff of 75% of the premium.

### Clause 3 Legislation Amended

This Act amends the *Electricity Feed-in (Renewable Energy Premium) Act 2008*.

### Clause 4 Section 5E (1) (d) and (e) Meaning of *compliant*

This clause changes the meaning of compliant for the category of micro generators. It replaces Clauses 5E (1) (d) and (e) with a single clause that makes micro and medium renewable generators compliant if the total capacity of all micro and medium scale generators connected to the network is below 30MW or below another capacity that the Minister sets.

30MW is the combined capacity of the previous micro and medium caps.

The clause retains the ability of the Minister to determine another capacity.

### Clause 5 Section 8 (1) (a) Payment for electricity from renewable energy generators

This clause changes the percentage of the premium rate that a micro renewable energy generator must be paid from 100% of the premium rate to 75% of the premium rate.

The date of 1<sup>st</sup> September 2011 makes it clear that generators that are connected prior to this date are eligible for 100% of the premium rate, and that micro generators that are connected after 1<sup>st</sup> September 2011 are eligible for 75% of the premium rate.

It is necessary to make this explicit in the legislation to avoid changing the payments to people who have already signed 20 year contracts who would be affected should the percentage of the premium rate change. Currently the Act ensures that if the premium rate changes, generators are eligible for the rate as it was set in the year they became connected for the entire 20 year period. However, this does not apply to changes to the percentage.

Where the percentage has been changed in the past through a determination by the Minister, the determination has specified only new contracts in the financial year were affected.

**Clause 6 Repeal of Electricity Feed-in (Renewable Energy Premium) Percentage Determination 2010 (No 1)**

This clause repeals a determination made by the Minister that commenced 1<sup>st</sup> July 2010 and which set the percentage for generators between 10-30kW capacity at 100%.